colled. of

OCI NO. 0078/55 COPY NO. 35 CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE
8 February 1955

MEMORANDUM FOR:

Deputy Director (Intelligence)

SUBJECT:

Commentary on Resignation of G. M. Malenkov.

The "resignation" of G. M. Malenkov from the position of Chairman of the Council of Ministers of the USSR climaxes a period which has seen accumulating indications of the rising prestige of Party First Secretary N. S. Khrushchev and of controversy over domestic policy questions, which may be related to foreign policy considerations in view of the increase in international tension.

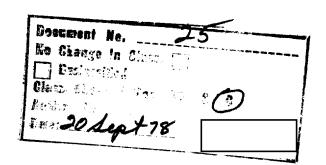
Malenkov's mea culpa is reminiscent of the "self-criticism" demanded of purged individuals in the early years of Stalin's upward climb to supreme power. Having once made such a public admission of fault and error, the individual found it a mill-stone about his neck, something which increased his difficulties in any attempt to stage a comeback. In addition, in Stalin's day it formed a basis for seeking out and removing political supporters of the given individual.

According to available information, Malenkov is to be assigned "other duties." What these may be remains to be seen. In any event, this move again is reminiscent of the Stalinist era, in that men would be demoted, downgraded, for varying periods of time, before ultimate elimination. The "demotion" indicates that Malenkov retains some stature and political strength, and cannot, for political purposes, be destroyed immediately.

Despite Bulganin's accession to the Premiership, there is very little doubt that it is Nikita S. Khrushchev who is the most influential leader in the USSR. He has become increasingly active in recent months, and has been making authoritative pronouncements on many aspects of Soviet policy. Krushchev's nomination of Bulganin underlined the fact of his predominant position.

Marshal Bulganin is a "political general", a party trouble-shooter of the 1930's who was assigned to political-administrative duties in the armed services by Stalin during World War II. His appointment as chief of the newly-combined Defense Ministry immediately after Stalin's death was interpreted as largely a measure to insure party control over the military.

Approved For Release 2006/04/21 : CIA-RDP91T01172R000300050025-8



25X1

SECRET Approved For Release 2006/04/21 : CIA-RDP91T01172R000300050025-8

As Defense Minister, however, Bulganin has been directly associated with top professional military leaders, and has been their official link with the Presidium. No other prominent candidate for the premiership could have been more closely attuned to the problems and concepts of Soviet military leaders than Bulganin.

Despite Bulganin's lack of professional military background, his appointment to the chief government position in the USSR emphasizes to the Soviet public and especially to the Western World the importance of the current Soviet increase in defense allocations. It is a reminder of the military power behind the regime at a time of shifts in leadership and policies. Bulganin probably serves as a symbol of renewed identification with the Stalin period and its policies of strong emphasis on heavy industry and military power.

Although Malenkov's removal makes Krushchev's task, as dominant figure, easier than the one Malenkov himself faced earlier, there is still no reason to think that Khrushchev is indisputable and illimitable master of the USSR as was Stalin. Many years still separates any contender from that position. The designation of Marshal Bulganin as premier appears to be an attempt to continue the facade of collectivity in Soviet leadership.

The "resignation" of Malenkov climaxes six weeks of indications of controversy in Soviet leadership over the direction of the Soviet economy. A disparity appeared in public media regarding relative priorities of light versus heavy industry. This "dispute" was decided sometime in December or early January, in favor of heavy industry, increased emphasis on defense expenditures, and a modest retrenchment in the consumer benefits program. Krushchev gave the conclusive evidence on this dispute when he lashed out, at the 25-31 January Central Committee plenum, at the proponents of light industry as "right deviationists" and "Bukharinites."

Approved For Release 2006/04/21: CIA-RDP91T01172R000300050025-8

It is this invocation of past purges and treason trials by Khrushchev that casts an ominous aura about Malenkov's resignation. It suggests the emergence of a "purge" atmosphere, probably charactereized by a more inflexible Party point of view and a hardening in Soviet domestic and foreign policies.

The replacement of Malenkov by Khrushchev as leader within the collective leadership is logical in the light of the reemphasis on heavy industry and the wisdom of Stalin's experience. In his public speeches

Khrushchev has tended to take a more logmatic and truculent view of problems of foreign and domestic policy than does

Malenkov, and he has strongly stressed his ties with Lenin and Stalin in his recent public speeches. He apparently feels that the "new course" had gone too far. Some of the imagination and flexibility of the Malenkov regime may well be lost, but the emphasis on heavy industry and agriculture, Khrushchev's specialty, will undoubtedly be maintained.

Available evidence suggests that Khrushchev for the time being at least will continue the basic lines of Soviet foreign policy designed to isolate the United States and weaken the unity of the Western powers. In the field of foreign policy, Khrushchev reaffirmed the main lines of post-Stalin "coexistence" policies as recently as the 5 February interview with Hearst and Kingsbury Smith. This suggests continued Soviet use of the general coexistence line, although within this context there is likely to be a greater stress on the dangers of general war which Moscow claims to find implicit in US policy.

HUNTINGTON D. SHELDON Assistant Director, Current Intelligence

25X1

SECKET
Approved For Release 2006/04/24 : CIA-RDP91T01172R000300050025-8

ANNEX I

History of Khrushchev's Rise in Power Since Stalin's Death

In the 23 months since Stalin's death, Khrushchev has come from fifth man in the listings of the all-powerful party presidium to top man in the USSR.

The stage for his rapid rise was set in March of 1953, when Malenkov resigned from the party secretariat, leaving Khrushchev as senior man on that body. This body exercises immediate supervision over the powerful party apparatus and controls most personnel appointments. It was the vehicle for Stalin's rise to power in the 1920's.

Following the purge of Beria in July of 1953, Khrushchev moved up to number three position in listings of the party presidium. Then, in September of that year, a plenary meeting of the party central committee made him First Secretary of the Party and heard his report detailing the important new agricultural program.

Observers noted two hints of a Malenkov-Khrushchev rivalry at this time. Khrushchev failed to attribute the formulation of the agricultural program to Malenkov in any way, although the latter's Supreme Soviet speech a month earlier had first outlined the program. A couple of months later, Khrushchev attended the party plenum which removed Andrianov, long considered a Malenkov protege, from his job as Leningrad party boss.

During the latter months of 1953, Khrushchev continued to receive considerable publicity in connection with the agricultural program, and in February of 1954 he made another highly-publicized report to the central committee outlining the results and prospects of the agricultural program. By this time Khrushchev was receiving more personal publicity than any other top Soviet leader and had definitely outstripped Molotov to become number two man in the hierarchy.

The extent of Khrushchev's rise was fully revealed in April of 1954 when he and Malenkov each gave a principal address to one of the houses of the Supreme Soviet, Khrushchev appearing before the slightly more important council of the Union.

Approved For Release 2006/04/21: CIA-RDP91T01172R000300050025-8

During the spring, Khrushchev's personal publicity far outstripped that of the other Soviet leaders and reached a point where it threatened to shatter the facade of collective leadership. He was active in many aspects of domestic affairs and led the Soviet delegation to the Polish and Czechoslovakian party congresses.

In June, however, Khrushchev's position appeared to suffer. A facade of strict collectivity was reimposed, and, contrary to previous practice, he apparently did not give the major report to the Central Committee meeting held that month and was not publicly associated with its decisions.

Khrushchev's position again improved markedly in September of 1954, however. He led the well-publicized Soviet "government" delegation to China and signed the important Sino-Soviet agree-chev made an extensive inspection trip through the Soviet Far East and followed this up with a trip through Tadzhikistan and Uzbek-to make contacts in many areas of the USSR and cast him in the ment officials.

Khrushchev's personal publicity increased during this period in connection with these trips, and his other activities as party first secretary. He was included in lists of Lenin's co-workers and "leading central committee workers sent directly to war work" which pointedly excluded Malenkov, and his name appeared increasingly frequently in the Soviet press.

During the late fall Khrushchev's public activity increased. He acted as principal regime spokesman in an increasing number of fields and, on December 7, he made a speech to a conference of construction workers which foreshadowed the increased emphasis officially accorded the importance of heavy industry later in the month. In a speech to a gathering of Komsomol members, Khrushchev, contrary to previous practice, stressed his close personal relationship with Stalin, and on 10 January, Khrushchev's name was linked with Lenin's when he signed a central committee decree changing the date and character of the celebration of the dead leader's memory.

A striking sign of Khrushchev's importance came out of another central committee meeting, commencing on 25 January. A report to the plenum on increasing livestock production made by Khrushchev on that date heavily stressed the importance of

Approved For Release 2006/04/21 : CIA-RDP91T01172R000300050025-8

heavy industry and equated the position of those "woe-begone theoreticians" who had underestimated its importance with that of Bukharin and Rykov politburo members who were first demoted and then shot in 1938 for "rightist deviations." This speech, which occupied six pages of Pravda on 3 February, the opening day of the current Supreme Soviet session, set the tone for the modification of the "New Course" effected at that session and made Khrushchev the principal government spokesman for that the Supreme Soviet delegates as to Khrushchev's leading position was evidenced by the fact that over half of the speakers mentioned his name in their reports while none of them cited, Malenkov.

With the resignation of Malenkov as Soviet premier, Khrush-chev's position as top Soviet leader is confirmed, but the selection of Bulganin to fill his place suggests that some degree of collectivity will be preserved and that Khrushchev will not be allowed to assume all the reins of power at this time.

Approved For Release 2006/04/21: CIA-RDP91T01172R000300050025-8

ANNEX II

BIOGRAPHIC PROFILE OF NIKITA SERGEYEVICH KHRUSHCHEV

I. Factual Data:

Born:

17 April 1894

Birthplace:

Kalinovka, Kursk Province, Russia (near

Ukrainian border)

Nationality:

Great Russian or Ukrainian

Married:

Yes

Children:

2 sons and several daughters

Education:

Technical Schools; Graduated from Indus-

trial Academy, Moscow, 1929 or 1930.

Honors & Decorations: Order of Lenin, 1935, 1944, 1948 and 1954; Order of Red Banner of Labor, 1939; Order of Suvorov, 2nd Class, 1944; Order of Fatherland War, 1st class 1945; Grunwald Cross 1st Class (Polish), 1945;

Hero of Socialist Labor, 1954.

Present Positions: Member, Presidium and First Secretary, Central Committee, CPSU; Member Presidium, USSR Supreme Soviet.

Career:

1917

Mechanic in a Donbass Factory; took part

in October Revolution.

1918

Joined Russian Social Democratic Labor

Party (Bolshevik),

1919-1927

Active Party work in the Donbass and the Ukraine; fought on southern front

during Civil War.

1931-1938

Secretary, District Party Committees, Moscow Region, 1931-32; Secretary Moscow City Party Committee, 1932-34; Second

SECRET Approved For Release 2006/04/21 : CIA-RDP91T01172R000300050025-8

	Secretary Moscow Region Party Committee, 1934-35; First Secretary Moscow Region and City Party Committees, 1935-38.
1934-date	Member, CPSU Central Committee.
1938-1947	First Secretary, Kiev Region and City Party Committees.
1938-da te	Candidate member, Politburo CPSU Central Committee 1938-39; Full member Politburo (now Presidium), Central Committee, CPSU, 1939-Date.
1938-1949	Member, Politburo, Ukrainian Party Central Committee; First Secretary, Ukrainian Party Central Committee (1938-March 1947) and (December 1947-1949).
1942-1945	Member War Council, Stalingrad and South- western fronts (renamed 2nd Ukrainian front).
1943	Given rank of Lieutenant-General.
1944-1947	Chairman Ukrainian Council of People's Commissars (now Council of Ministers).
1946-1953 (?)	Member, USSR Council of Collective Farm Affairs.
1949-1953	First Secretary, Moscow Region Party Com-
1949-date	Secretary, Central Committee, CPSU; elected First Secretary September 1953.

25X6

Next 3 Page(s) In Document Exempt

Approved For Release 2006/04/21 : CIA-RDP91T01172R000300050025-8

ANNEX III

BIOGRAPHIC PROFILE OF BULGANIN, Nikolai Aleksandrovich (Marshal)

I. Personal data: : Born June 11, 1895 in Gorki

Honors, decorations: Order of Red Banner; Order of Suvorov,

lst and 2nd Classes; two Orders of Kutuzov, 1st Class; Order of Lenin; Cross of Virtuti Militari (Polish) 1945; Order of Red Star; Title Marshal of Soviet Union, 1947.

Career

1915-1917 Employee, private industry.

1917 Joined Russian Social Democratic Labor

Party (B).

1919 Entrusted with special mission, Turk-

estan front; Chief Transport Board, Extraordinary Commission to Fight Speculation and Counter-revolution

(Cheka).

1922-1927 Member, Administration, later Direc-

tor, Electro-Technical Trust (Elek-

trozavod), Moscow.

Deputy Chairman, Executive Committee,

Moscow Provincial Council of Workers

Deputies.

1931-1937 Chairman, Executive Committee, Moscow

City Council of Workers' Deputies,

elected February 1931.

1934 Alternate member, All-Union Party

Central Committee, elected by 17th

Congress, February 1934.

1937-date Deputy Council of Nationalities, elected

February 1937; re-elected February 1946

in Moscow City Okrug, RSFSR.

Approved For Release 2006/04/21: CIA-RDP91T01172R000300050025-8

1937-1938	Chairman, RSFSR Council of People's Commissars, elected June 1937, relieved October 1938.
1938-1940	Chairman, Administration of State Bank, appointed October 1938; relieved April 1940.
1938-1945	Chairman, Foreign Affairs Committee, Council of Nationalities.
1938-1946	Deputy Chiarman, USSR Council of People's Commissars, appointed October 1938; relieved March 1946.
1939-date	Member, All-Union Party Central Com- mittee, elected by 18th Congress, March 1939.
1940–1941 <u>/?</u> /	Chairman, Economic Council of Metal- lurgy and Chemistry, appointed April 1940; probably relieved in 1941.
1940-1943	Deputy Chairman, Economic Council, * appointed April 1940.
1941-1943	Member, Military Councils, 2nd Baltic, 1st Belorussian, and Western Fronts; Political Commissar, 3rd Belorussian Front /?/
1942	Promoted to Lt. General, December.
1943	Envoy to Polish Committee of National Liberation, Lublin.
1944	Colonel General, promoted July; Army General, promoted November.
1944-1945	Member, State Defense Committee, ** appointed November 1944.

<sup>Council probably abolished in 1943.
Committee abolished in September 1945.</sup>

SECRET Approved For Release 2006/04/21 CIA-RDP91T01172R000300050025-8

1944-1946	USSR Deputy People's Commissar for Defense, appointed November 1944.
1946-1947	USSR Deputy Minister for general affairs of Armed Forces, appointed March 1946; relieved March 1947.
1946-1952	Member, Organizational Bureau, All- Union Party Central Committee, elected March 1946;
	Alternate member, Political Bureau, All-Union Party Central Committee, elected March 1946.
1947-date	Deputy to various Republican Supreme Soviets, elected February 1947; Deputy Chairman, USSR Council of Ministers, appointed March 1947.
1947-1949	USSR Minister of Armed Forces, appoint- ed March 1947; relieved March 1949.
1952	Made full member of Party Presidium at 19th Party Congress.
1953	Appointed Minister of Defense and a First Deputy Chairman of the Council of Ministers on 6 March following Stalin's death.
1955	Appointed Chairman of Council of Ministers, Feb. 8; relieved of Min- 25X6 ister of Defense post.

Next 1 Page(s) In Document Exempt

Approved For Release 2006/04/21 : CIA-RDP91T01172R000300050025-8

ANNEX IV

MOSCOW SOVIET HOME SERVICE 1151 2/8

(TEXT) A JOINT SESSION OF SOVIET OF THE UNION AND SOVIET OF NATIONALITIES WAS HELD AT 1300.

The Chairman, VOLKOV, read the following statement of Comrade MALENKOV:

To the Chairman of the joint meeting of the Soviet of the Union and Soviet of Nationalities:

I ask you to bring to the notice of the Supreme Soviet of the USSR my request that I be relieved of the post of Chairman of the Council of Ministers of the USSR.

My request is due to (practical) considerations based on the necessity of strengthening the leadership of the Council of Ministers and the expediency of having at the post of the Chairman of the Council of Ministers another comrade who has greater experience in government work.

I clearly see that the carrying out of the complicated and responsible duties of Chairman of the Council of Ministers is being negatively affected by my insufficient experience in local work and the fact that I did not have occasion to effect direct guidance of individual branches of the national economy in a ministry of some economic organ.

I also consider myself bound to say in the present statement that now, when the CPSU and the workers of our country are concentrating special efforts on the most rapid development of agriculture, I see particularly clearly my guilt and responsibility for the unsatisfactory state of affairs which has arisen in agriculture, because for several preceding years the duty had been entrusted to me to control and guide the work of central agricultural organs and the work of local party and administrative organizations in the sphere of agriculture.

The Communist Party, on the initiative and under the guidance of the Central Committee of the CPSU, has already worked out and is implementing a series of large-scale measures for overcoming the lagging behind of agriculture.

Approved For Release 2006/04/21: PIA-RDP9114 72R000300050025-8

One such important measure is, undoubtedly, the reform of agricultural taxation. Regarding this, I think it opportune to say that it was carried out on the initiative of and in accordance with the proposals of the Central Committee of the CPSU, and it is now evident what an important role this reform has played in the task of developing agriculture.

Now, as is known, on the initiative and under the guidance of the Central Committee of the CPSU, a general program has been worked out for overcoming the lagging behind of agriculture and for its most rapid development.

This program is based on the only correct foundation: the further development by every means of heavy industry, and only its implementation will create the necessary conditions for a real upsurge in the production of all commodities essential for popular consumption.

One may expect that various bourgeois hysterical viragos will busy themselves with slanderous inventions in connection with my present statement and the fact itself of my release from the post of Chairman of the USSR Council of Ministers, but we-the Communists and the Soviet people--will ignore this lying and slander.

The interests of the motherland, the people and the Communist Party stand above everything for everyone of us.

While expressing the request for my release from the post of Chairman of the USSR Council of Ministers, I wish to assure the USSR Supreme Soviet that, in the new (post) entrusted to me, I will, under the guidance of the Central Committee of the Communist Party of the Soviet Union, monolithic in its unity and solidarity, and the Soviet government, perform in the most conscientious manner the duties and the functions which will be entrusted to me.

(Signed) Chairman of the USSR Council of Ministers MALENKOV.

Deputy PUZANOV was then called upon to speak.

He proposed to accept the statement of Comrade MALENKOV and to release him from the duties of Chairman of the USSR Council of Ministers.

The USSR Supreme Soviet adopted the following resolution: To accept the statement of Comrade MALENKOV and to release him from the duties of Chairman of the USSR Council of Ministers.

The next joint meeting of both chambers will be held today at 1600 hours. CAICICAITIAI

Approved For Release 2006704721 : CIA-RDP91T01172R000300050025-8

SECRET